

CHAPTER 390

(Senate Bill 537)

AN ACT concerning

Workers' Compensation - Owner Operator of Class F (Tractor) Vehicle

FOR the purpose of providing that an owner operator of a Class F (tractor) vehicle who enters into a certain agreement with a motor carrier is not a covered employee ~~of himself or herself as subcontractor~~ for certain purposes and is not entitled to compensation from a principal contractor under a certain provision of the Workers' Compensation Law.

BY repealing and reenacting, with amendments,

Article - Labor and Employment

Section 9-218

Annotated Code of Maryland

(1991 Volume and 1994 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Labor and Employment

9-218.

(a) An individual who is the owner operator of a Class F (tractor) vehicle, as described in § 13-923 of the Transportation Article, is not a covered employee if:

(1) the individual and motor carrier make a written agreement for permanent or trip leasing;

(2) under the agreement:

(i) there is no intent to create an employer-employee relationship;

and

(ii) the individual is paid rental compensation; and

(3) for federal tax purposes, the individual qualifies as an independent contractor.

(b) (1) A motor carrier who enters into an agreement under subsection (a) of this section is considered a principal contractor under § 9-508 of this title.

(2) An individual who is an owner operator of a Class F (tractor) vehicle and enters into an agreement under subsection (a) of this section is: